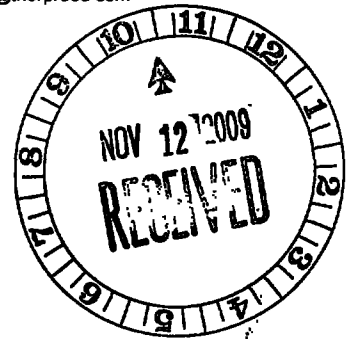


ATTORNEYS AT LAW SINCE 1895

**VIA OVERNIGHT DELIVERY**



November 11, 2009

Hon. Anne K. Quinlan  
Acting Secretary  
Surface Transportation Board  
395 E Street SW  
Washington, DC 20024

Re: U S RAIL Corporation of New Jersey  
- Lease and Operation Exemption -  
County of Salem, NJ  
STB Finance Docket No. 35310

225989

Dear Secretary Quinlan:

Enclosed for filing please find the original and 10 copies of the Notice of Exemption of U S RAIL Corporation of New Jersey. Also enclosed is our check in the amount of \$1800 representing the filing fee for this Notice.

Please time stamp the extra copy of the Notice to indicate receipt and return it to me in the self-addressed stamped envelope provided for your convenience.


Please let know if there are any questions about the filing. Thank you for your assistance.

**ENTERED**  
Office of Proceedings

**NOV 12 2009**

**Part of  
Public Record**

Respectfully,

  
Eric M. Hocky

**FEE RECEIVED**

**NOV 12 2009**

**SURFACE  
TRANSPORTATION BOARD**

EMH/e

Enclosures

Pittsburgh

Philadelphia

Princeton

Wheeling

Thorp Reed & Armstrong, LLP  
One Commerce Square  
2005 Market Street  
Suite 1000  
Philadelphia, PA 19103-7041  
215 640 8500  
215 640 8501 Fax

**FILED**

**NOV 12 2009**

**SURFACE  
TRANSPORTATION BOARD**

BEFORE THE  
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35310



U S RAIL CORPORATION OF NEW JERSEY

- LEASE AND OPERATION EXEMPTION -

COUNTY OF SALEM, NJ

VERIFIED NOTICE OF EXEMPTION  
UNDER 49 C.F.R. § 1150.31, et seq.

ENTERED  
Office of Proceedings

NOV 12 2009

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SURFACE  
TRANSPORTATION BOARD

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NOV 12 2009

SURFACE  
TRANSPORTATION BOARD

ERIC M. HOCKY  
THORP REED & ARMSTRONG, LLP  
One Commerce Square  
2005 Market Street, Suite 1000  
Philadelphia, PA 19103  
(215) 640-8500

Dated: November 10, 2009

Attorneys for U S RAIL Corporation of New Jersey

STB FINANCE DOCKET NO. 35310

**U S RAIL CORPORATION OF NEW JERSEY  
- LEASE AND OPERATION EXEMPTION -  
COUNTY OF SALEM, NJ**



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**VERIFIED NOTICE OF EXEMPTION  
UNDER 49 C.F.R. § 1150.31, et seq.**

This Verified Notice is filed pursuant to 49 C.F.R. §1150.31 by U S RAIL Corporation of New Jersey ("U S RCNJ"), a non-carrier, to exempt from regulation under 49 U.S.C. §10901, its lease and operation of the line of railroad (the "Rail Line") described herein and shown on the map attached as Exhibit A. The Rail Line is currently owned by the County of Salem, New Jersey, which originally purchased it as an abandoned rail line from Conrail. The Rail Line is currently operated by Southern Railroad Company of New Jersey. The total mileage of the Rail Line is 17.24 miles. U S RCNJ is contracting with its affiliate U S RAIL Corporation ("USRP") to perform the operations on and over the Rail Line, with U S RCNJ retaining residual common carrier obligations. This Notice is related to the notice of exemption being filed by USRP in STB Finance Docket No. 35317, *U S RAIL Corporation – Operation – U S RAIL Corporation of New Jersey*, and to the common control exemption notice being filed by Gabriel D. Hall in STB Finance Docket No. 35318, *Gabriel D. Hall – Continuance in Control – U S RAIL Corporation of New Jersey*.

**Notice**

In accordance with 49 C.F.R. §1150.31, U S RCNJ hereby states as follows:

- (a) The full name and address of Applicant: U S RAIL Corporation of New Jersey, 7846 Central Ave., Toledo, Ohio 43617.

(b) The name, address and telephone number of the representative of U S RCNJ who should receive correspondence: Eric M. Hocky, Esquire, Thorp Reed & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500.

(c) U S RCNJ has entered into a lease agreement dated October 8, 2009, with the County of Salem to cover operation of the Rail Line. U S RCNJ is contracting with its affiliate USRP to perform the common carrier operations on and over the Rail Line. Operations under the lease will not commence operations until the authority sought hereunder becomes effective.

(d) USRP will be the operator of the Rail Line. US RCNJ will have residual common carrier authority to operate the Rail Line.

(e) Brief Summary of the Proposed Transaction:

The Rail Line is currently operated by Southern Railroad Company of New Jersey ("SRNJ") under a lease with the County of Salem, New Jersey. The SRNJ lease is being terminated, and U S RCNJ has been selected as the new lessee. U S RCNJ is contracting with its affiliate USRP to operate the Rail Line. The structure between U S RCNJ and USRP has been established to facilitate future financing.

(1) The name and address of the owner of the Rail Line who has granted U S RCNJ operating rights: County of Salem, 94 Market Street, Salem, NJ 08079.

The current operator is Southern Railroad Company of New Jersey, 2930 Richmond Street, Philadelphia, PA 19134. Its lease of the Rail Line has been terminated.

(2) U S RCNJ expects its lease of the Rail Line to be effective on or after December 12, 2009, thirty days after the filing of this Notice of Exemption.

(3) The Rail Line runs between Milepost 10.86 in Swedesboro, New Jersey, and Milepost 28.10 in Salem, New Jersey.

(4) The total mileage to be leased and operated is approximately 17.24 miles.

(f) Attached as Exhibit A to this Notice of Exemption is a map of the Rail Line.

(g) U S RCNJ certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III carrier.<sup>1</sup>

(h) USRP, as the operator for U S RCNJ, will interchange with Conrail (on behalf of Norfolk Southern Railway and CSX Transportation, Inc.) in Swedesboro, New Jersey. U S RCNJ is not aware of any existing interchange commitments with any of the connecting carriers, and does not contemplate that any will be required as part of this transaction. USRP, as the operator for U S RCNJ, will be meeting with the connecting carriers to confirm interchange arrangements.

### **Environmental and Historic Reports**

Pursuant to 49 C.F.R. §1105.6(c)(2)(i), no environmental documentation should be required because this proceeding involves authority for an acquisition under 49 U.S.C. §10901 for

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<sup>1</sup> U S RCNJ additionally certifies that its projected revenues after the transaction will not exceed \$5,000,000 per year.

continued operations that will not exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (e)(5).

No historic report under 49 C.F.R. §1105.8(b)(1) should be required because the transaction merely involves an acquisition for continued rail operations, and further Board approval is required to discontinue or abandon any service. U S RCNJ has no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

### **Labor Protection**

Pursuant to 49 U.S.C. §10901(c), approval of this transaction may not be subjected to labor protection conditions.

### **Caption Summary**

Attached hereto as Exhibit C is the caption summary required by 49 C.F.R. §1150.34.

Respectfully submitted,

  
ERIC M. HOCKY  
THORP REED & ARMSTRONG, LLP  
One Commerce Square  
2005 Market Street, Suite 1000  
Philadelphia, PA 19103  
(215) 640-8500

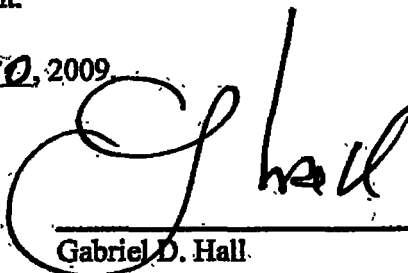
Dated: November 10, 2009

Attorneys for U S RAIL Corporation of New Jersey

## VERIFICATION

I, Gabriel D. Hall, President of U S RAIL Corporation of New Jersey, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on November 10, 2009.

A handwritten signature in black ink, appearing to read "G Hall", is written over a horizontal line. The signature is stylized, with a large "G" and a cursive "Hall".

Gabriel D. Hall

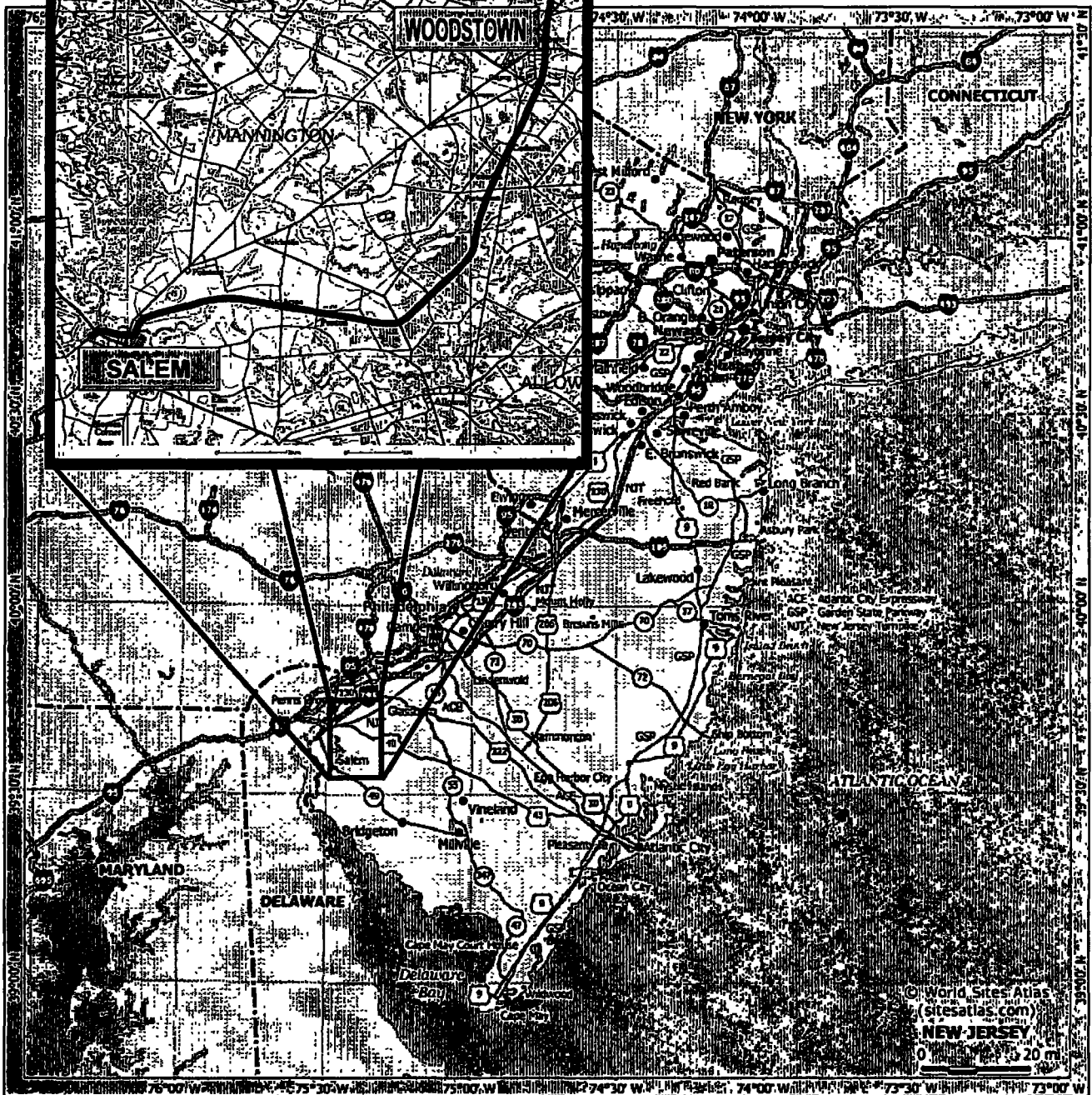
**MAP**

**EXHIBIT A**





# SWEDESBORO, NJ to PORT OF SALEM, NJ RAIL LINE



## **CAPTION SUMMARY**

## **EXHIBIT B**

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

**STB FINANCE DOCKET NO. 35310**

**U S RAIL CORPORATION OF NEW JERSEY  
- LEASE AND OPERATION EXEMPTION -  
COUNTY OF SALEM, NJ**

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U S RAIL Corporation of New Jersey (“U S RCNJ”), a non-carrier, has filed a Notice of Exemption to lease from the County of Salem, New Jersey, the rail line between Milepost 10.86 in Swedesboro, New Jersey, and Milepost 28.10 in Salem, New Jersey. The total mileage to be leased is approximately 17.24 miles. The rail line is currently operated by Southern Railroad Company of New Jersey under a lease that is being terminated. US RC NJ intends to immediately contract with its affiliate U S RAIL Corporation (“USRP”) to perform the operations on and over the Rail Line, with US RCNJ retaining residual common carrier obligations. This Notice is related to the notice of exemption being filed by USRP in STB Finance Docket No. 35317, *U S RAIL Corporation – Operation – U S RAIL Corporation of New Jersey*, and to the common control exemption notice being filed by Gabriel D. Hall in STB Finance Docket No. 35318, *Gabriel D. Hall – Continuance in Control – U S RAIL Corporation of New Jersey*.

Comments must be filed with the Board and served on U S RCNJ’s representative, Eric M. Hocky, Esquire, Thorp Reed & Armstrong, LLP, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500.

The Notice is filed under 49 C.F.R. §1150.31. If the Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. §10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.